CASPIY National Social and Business Corporation, Joint-Stock Company

www.spk-caspiy.kz
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CASPIY NSBC, JSC is established by Presidential Decree no. 407 of September 17, 2007, submitted to local executive authorities by Resolution of the Government of the Republic of Kazakhstan of 31.03.2010, no.266

Social and Business Corporation is a stable business structure operating in order to gain profit from production and sales of goods and services.
• Facilitate the economic development of Mangistau Region through consolidation of the government and the private sectors’ efforts;
• Create the favorable economic conditions for attracting investments and innovations; and
• Contribute into the development and implementation of programs aimed at facilitating the regional social development, as well as at exploring, extracting, and processing the natural/mineral resources, including the commonly occurring ones, in compliance with the list of types and deposits of natural resources.
• To ensure a breakthrough in the regional development through diversifying the economy;
• To create an efficient corporate governance system; and
• To consolidate the government assets and business initiatives for solving the social and economic tasks
**MAIN TASKS OF CASPIY NSBC, JSC**

- To create an efficient system for the public assets management;
- To implement the principles of business social responsibility throughout the region;
- To create the competitive export-oriented manufacturing facilities based on public-private partnership (PPP);
- To create a favorable environment for attracting investments and implementing innovations;
- To implement the business projects, including those based on concession and cluster initiative;
- To create the institutional conditions for development of small and medium business; and
- To allocate the profit for solving the regional social problems.
Main Corporate Governance Principles of SBC

- Implementing the corporate governance through boards of directors of companies;
- Nonintervention in operating activities;
- Setting the goals taking into consideration the medium-term plans for social and economic development, country programs, and strategies;
- Approving the medium-term business plans, investment programs, and annual budgets of the companies securing the accomplishment of goals established;
- Recruiting and appointing the top managerial personnel; and
- Monitoring the results of companies’ activities through making independent audit
### General Criteria for Selecting Strategic Partners for Implementation of SBC Investment Projects

- Interest in implementing the investment projects;
- Expected share of SBC in the project;
- Project’s profitability / IRR;
- Expected period of project implementation;
- Project’s payback period; and
- Conditions of project financing;
Projects Implemented with CASPIY
SBC Involved
Project objective:

- Rendering services related to the quantity and quality examination of oil and petroleum derivatives, metals, grain, and other goods exported from the Republic of Kazakhstan, as well as ensuring an increase in the share of Kazakh companies on the market of services in this field.

Place of Project implementation:

- Mangistau Region, Aktau

Project cost: KZT 60 million

Period of implementation: 2008

Job places: 29 employees

Partner: Institute for Oilfield Chemistry Ltd.

Managing Company: SIS Ltd.
Project objective:
- To provide the construction projects at Kashagan deposit with domestic-manufactured construction materials

Project cost: KZT 450 million
Period of implementation: 2009
Design capacity: 40,000 cubic meters of reinforced concrete structures
Job places: 30 employees

Place of Project implementation:
Mangistau Region, Fort-Shevchenko

Partner: Tulkaragan Ltd.
Managing Company: CASPIY Temir Beton Ltd.
Project objective:
- Provision of the Region with domestic fruits and vegetables

Project cost: KZT 305 million
Implementation period: 2009
Capacity: 945 tons annually
Job places: 65 employees

Place of project implementation:
Aktau

Partner: Ergalauov K.
Managing company: CASPIY Agro Company Ltd.
Project objective:
Increase the livestock of pure-strain sheep, horses, and camels for their further sale

Place of Project implementation:
Mangistau Region, Tupkaragan District, Village of Kyzylozen

Project cost: KZT 150 million
Adaev breed horses: 228 heads of livestock
Edilbaev breed sheep: 1 600 heads of livestock
Camels: 50 heads of livestock
Farm machinery: 10 units
Period of implementation: 2009-2010
PROJECTS TO BE IMPLEMENTED WITH CASPIY SBC INVOLVED
Transport Infrastructure Projects

The goal of the Project:

1. To develop the transport infrastructure and to improve the quality of services provided by passenger transport in the city of Aktau and in Mangistau Region;
2. To organize the municipal bus fleet operating on environmentally friendly fuel;
3. To establish a control center for managing the passenger transport;
4. To ensure the modern aesthetic appearance of the city of Aktau;
5. To develop the transport infrastructure of Mangistau Region;
6. To raise the efficiency and quality of public transport services; and
7. To create the modern taxi fleet

Objectives:

1. To purchase 100 modern buses;
2. To exercise centralized management and regulation of intercity transportations;
3. To analyze and optimize the existing routes, as well as to launch new comfortable lines;
4. To ensure the uninterrupted and safe operation of the public transport;
5. To analyze and monitor the existing bus stops;
6. To modernize and rehabilitate the public transport stopping complexes;
7. To create the favorable conditions for the population of the city;
8. To develop the transport infrastructure and to improve the quality of services rendered by the passenger transport in the city of Aktau and in Mangistau Region;
9. To create a control center for managing taxi operations;
10. To ensure the uninterrupted safe traffic; and
11. To create new jobs.
Public Transport Routes

In the city of Aktau, there have been operating 7 routes.
The motive power comprises 73 buses, including
PAZ: 55;
Hyundai: 9;
Daewoo: 5;
NEFAZ: 4.
In the Mangistau Region, there have been operating 19 routes.
The motive power totals 288 buses, including
GAZEL: 166;
PAZ, LIAZ: 122.
City Public Transport Routes
Location of Bus Stops in the City
Proposed Routes of City Public Transport in the City of Aktau
Regional Bus Routes

Схема
внутриобластных
автобусных
маршрутов

ОБОЗНАЧЕНИЯ

Актау - Жанаозен (160км.)
Актау - Тушыкудык -
Шебир - Актау (215км.)
Актау - Кызан - Акшимырау -
Актау (300км.)
Актау - Акшукуыр -
Сайын - Актау (25км.)
Актау - Шетпе - Актау
(Уштаган, Онды, Жармыш,
Шайыр) - (161км.)
Шетпе - Жанаозен - Шетпе
(160км.)
Актау - Форт - Шевченко -
Актау (140км.)
Актау - Таушык - Актау (100км.)
Актау - Баянды - Актау (22,7км.)
Актау - Атамекен (село) -
Актау (24км.)
Актау - Баскудык (село) -
Мангистау (20км.)
Актау - Кызылтобе-2 -
Актау (28,5км.)
Актау - Кызылтобе - Актау (29,5км.)
Актау - Батыр - Актау (28,5км.)
Сенек - Кызылсай - Жанаозен
- (50км.)
Куланды - Жанаозен - Куланды
- (20км.)
Бостан - Жанаозен - Бостан -
(21км.)
Актау - Жетылбай - Актау -
(100км.)
Актау - Курьык - Актау -
(70км.)
Offered Motor Vehicles for Public Transport

Bus make: Daewoo
Manufacturer: Kazakhstan-Korea
Quantity: 100 units
Fuel: gas

Municipal transport, bus: provides the regular uninterrupted transportations between the populated localities and the regional center; will provide people with high-quality passenger services; facilitates the development of unified route network of municipal passenger transport; will cover the rural and the urban settlements for 100%; raises the comfort and culture of services; improves the situation on the passenger transport market.
Proposed Location

Bus station, up to 5 ha

Bus depot, up to 5 ha

Airport

City
In accordance with the Law of the Republic of Kazakhstan of 04.07.2003, no. 476-II On Motor Transport: the intercity hauls between towns / villages and district or regional centers, cities of national importance (the capital), as well as intraregional intercity, regional intercity, and international road transportations of passengers and luggage should be carried out only from the bus stations on the basis of contracts between the carriers and the bus stations administration.

In 2010, KZT 4.95 million was allocated from the local budget for improvement (revision) of the feasibility study in compliance with the requirements of the Law of RK on Concessions. The conclusions from the Ministry of Transport and Communications and the Mangistaugosekspertiza have been obtained. The positive opinion on the economic aspects of the Ministry for Economic Development and Trade also has been received.

As of today, the project has been submitted to the Department of Finance for inclusion in the list of items sold on concession and announcement of tender.

The capacity of bus station: 3900 passengers / day.

The total estimated project cost: KZT 1482, 025 million
Shopping and Stopping Complex

**Size:** length of 7 m, width of 2.20 m, and height of 2.90 m

**Quantity:** 70 units

The modern shopping and stopping complex comprises:
- A shopping pavilion;
- A bench;
- A city map;
- A bus stop identification sign; and
- A light box
## Taxi, the City of Aktau

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Company</th>
<th>Taxi-car makes</th>
<th>Quantity of taxi-cars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>068</td>
<td>Zorin PE</td>
<td>Zhyguli, Opel</td>
<td>40</td>
</tr>
<tr>
<td>2</td>
<td>Sunkar</td>
<td>Sunkar Ltd.</td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>3</td>
<td>Sayahat</td>
<td>Niyazov PE</td>
<td>Zhyguli, Opel</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Start</td>
<td>Aktau Start Trans Ltd.</td>
<td>Zhyguli, Volga, and Opel</td>
<td>45</td>
</tr>
<tr>
<td>5</td>
<td>Transfly</td>
<td>Transfly Ltd.</td>
<td>Zhyguli, Opel</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>Chas Pik</td>
<td>Menshenin PE</td>
<td>Opel, Daewoo Nexia</td>
<td>15</td>
</tr>
</tbody>
</table>

**TOTAL:** 6 161
Public Transport: Taxi

1st option:
Car make: Daewoo Nexia
Manufacturer: Uzbekistan
Quantity: 200 units
Fuel: gas – petrol

2nd option:
Car make: Hyundai Accent
Manufacturer: Korea
Quantity: 200 units
Fuel: gas – petrol

Taxi is the best mode of transport to get around the city. Caspiy taxi will provide the passengers with safe and qualitative services to reach quickly the desired place.

Caspiy taxi should meet such requirements as:
• Reliability and safety;
• Reasonable price;
• Well-coordinated operation of dispatchers and drivers;
• Impeccable quality of services;
• Comfort and cleanliness;
• Efficiency and professionalism.
Gas Filling Stations

**Planned quantity:** 12 (10 propane and 2 methane)

**Investments:** USD 5.5 million

**Potential partners:**
- General Gas Engineering Ltd. And
- AvtoGazAlmaty Ltd. (JSC Kaztransgaz)

The expected results from new gas filling stations

- Regulation and stabilization of prices for public utilities;
- Regulation and stabilization of prices for transport services;
- Elimination of artificial deficit of gas fuel in the region;
- Reduction of harmful emissions into the atmosphere; and
- Use of clean fuel
Total fuel consumption: 823 200 liters monthly

Total fleet: 405
**Thermal Hotel Touristic, Entertainment, and Recreation Complex**

The idea to create *Thermal Hotel* Touristic, Entertainment, and Recreation Complex in Mangistau Region is based on a few factors:

Currently, not every tourist center can boast of its own curative springs. In Turkey, for example, tourists have to travel several hundred kilometers from the place of stay to visit the radon springs. This service is provided for additional fee which is not included in the tour price. Dynamics of number of Kazakh tourists visiting resorts in Turkey show ascending trend every year.

The sandy beaches and clean sea water give opportunities for the construction of tourist facilities at all levels, from the three-star to the luxury five-star hotels.

In addition, the therapeutic properties of hot radon springs will attract tourists not only in summer, but also throughout the whole year and ensure a stable load.

*Thermal Hotel* Touristic, Entertainment, and Recreation Complex will comprise the following facilities:

- The hotel complex with 1,000 hotel beds;
- 2 restaurants for 250 people each;
- Multi-purpose conference hall for 150 people and a conference room for 50 people;
- Bowling Hall with 3 tracks;
- Ballroom;
- 2 bars;
- Turkish bath;
- Water park and sports grounds; and
- 10 VIP villas.

The project has been included in the action plan of New Synergy program under the patronage of the Presidents of Kazakhstan and Turkey.
## Aktau – Fort-Shevchenko Road Reconstruction

<table>
<thead>
<tr>
<th><strong>Potential investor:</strong></th>
<th>DTP Terrassement (France)</th>
</tr>
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<td><strong>Project implementation framework:</strong></td>
<td>Concession</td>
</tr>
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<td><strong>Project attractiveness:</strong></td>
<td>Implementation of the 2\textsuperscript{nd} phase of Kashagan project</td>
</tr>
<tr>
<td><strong>Objectives of reconstruction:</strong></td>
<td>Widening to 4-lane road</td>
</tr>
</tbody>
</table>

The commercial trucks and construction equipment are expected to be charged with a toll. The passenger cars will use the road for free.

The road is classified as local road. Administratively, the repaired section of highway is located within the Tupkaragan District of Mangistau Region.

The repair area starts at 93 km of the Aktau-Fort-Shevchenko road and ends at 132 km; totally, 12 sections of various length have to be repaired on this road segment.

As the international economic relations strengthen, the exchange of trade flows between countries dynamically increases. Growing domestic and transit road transportations place greater demands on the technical condition of roads and the quality of services.
CONSTRUCTION OF A WIND FARM

- **Project partner:** DMK-Co. Ltd.
- **Period of implementation:** 2012-2014
- **Project cost:** KZT 5 423.2 million (USD 36.5 million)
- **Design capacity:** 19.5 MWt
- **Job places:** 38 employees
- **Place of Project implementation:** Mangistau Region, Tupkaragan District
THANK YOU FOR ATTENTION!